Uniform rate for energy from non-conventional Sources

1462. SHRI GHUFRAN AZAM: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether there is a uniform rate for energy from non-conventional energy sources whereas cost of production differs greatly in case of wind power, solar power projects and waste to energy project;

(b) if so, as to why rates are been considered at par; and

(c) whether there is any proposal under Government's consideration to revise the subsidies and energy rate in the near future?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI M. KANNAPPAN): (a) and (b) A uniform rate, with an annual escalation, was proposed for power generation from non-conventional energy sources. Since commercial development is at a nascent stage, a uniform rate was proposed to attract investments to this sector while avoiding complexity of tariff fixation for different renewable energy technologies/projects. Policies introduced by different States, however, differ with respect to the proposed rate, as well as in certain cases by the type of technology/project. The rates fixed by the States also take into account the other incentives by way of direct subsidies or other promotional incentives offered by the Central and State Governments.

(c) The subsidies and incentives offered by the Government are reviewed and revised from time to time depending upon technical and commercial developments. The energy rates are decided by the States depending upon the specific requirements and conditions in those States.